

In the Claims

Amend the Claims, as follows:

1-21. Canceled.

22. (Previously amended) The method of Claim 28, further comprising:

collocating a smartcard contact interface with said single series of magnetic data on a magnetic stripe within said payment card.

23. (Previously amended) The method of Claim 28, further comprising:

collocating a wireless smartcard contactless interface with said single series of magnetic data on a magnetic stripe within said payment card.

24. (Previously amended) The method of Claim 28, further comprising:

sharing a crypto-processor in support of a smartcard contact interface and said single series of magnetic data on a magnetic stripe within said payment card.

25. (Previously amended) The method of Claim 28, further comprising:

requiring a user to enter a personal identification number (PIN) before allowing said unique

transaction encoding to be accessed by a said legacy card reader.

26. (Previously amended) The method of Claim 28, further comprising:

sharing a crypto-processor in support of a smartcard interface and said single series of magnetic data on a magnetic stripe within said payment card; and

using data received by said smartcard interface to affect data presented thereafter by said single series of magnetic data on a magnetic stripe said legacy card reader.

27. Canceled.

28. (Currently amended) A method for operating a payment card, comprising:

constructing a single series of magnetic data on a magnetic stripe of a payment card to ~~include a linear combination of~~ combine permanent data bits and programmable data bits from parallel fixed-position magnetic-transducer write heads on one side of a thin, planar magnetic stripe, and a moving serial read head on the opposite side that resembles a parallel-in, serial-out shift register;

controlling said programmable data bits with a data generator and said magnetic-transducer write heads located immediately under corresponding bit positions of said magnetic stripe;

~~detecting and triggering said data generator from~~
~~with a card-swipe detector proximate to said magnetic stripe~~
~~when swiped by a~~ in contact with said moving serial read
head in a legacy card reader; and

sending a unique transaction encoding from said
data generator ~~, when triggered,~~ to said magnetic-transducer
write heads to be encoded as said programmable bits on said
magnetic stripe;

wherein, said unique transaction encoding is ~~only~~
magnetically readable by said legacy card reader via said
~~linear~~ combination of permanent data bits and programmable
data bits encoded on said magnetic stripe by said legacy
~~card reader~~ for only a limited time or a limited number of
card swipes or transactions.

29. (Currently amended) A payment card, comprising:

a single series of magnetic data on a magnetic
stripe of a payment card ~~to include a linear combination of~~
that combines permanent data bits and programmable data bits
from parallel fixed-position magnetic-transducer write heads
on one side of a thin, planar magnetic stripe, and a moving
serial read head on the opposite side that resembles a
parallel-in, serial-out shift register;

a data generator and magnetic-transducer write
heads located immediately under corresponding bit positions
of said magnetic stripe for controlling said programmable
data bits;

a card-swipe detector proximate to said magnetic stripe for detecting and triggering said data generator ~~when swiped by a~~ in contact with said moving serial read head in a legacy card reader; and

a unique transaction encoding sent from said data generator ~~, when triggered,~~ to said magnetic-transducer write heads for encoding as said programmable bits on said magnetic stripe;

wherein, said unique transaction encoding is ~~only~~ magnetically readable by said legacy card reader via said ~~linear~~ combination of permanent data bits and programmable data bits encoded on said magnetic stripe ~~by said legacy card reader~~ for only a limited time or a limited number of card swipes or transactions.